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men. As such they are usually a disturbing element in the rural life where they are located. However, there are many others that are paying concerns and are capable of great usefulness, especially in the pure-bred stock business. The application of large capital and managerial ability to agriculture is not to be discouraged.

Conclusion.—In trying to answer the question stated in its ambitious title, this paper has done little more than to point out the problems that have developed in the United States in connection with the ownership of agricultural land. The dearth of statistical data and accurate information suggests the need for extended research in this field. It is quite apparent, however, that the problems of concentration of ownership, absentee and alien ownership, the ownership of land by low-standard nationalities, and tenancy are highly local in character and take on different aspects as types of agriculture and races vary. Solutions must therefore be sought in State and community action rather than in national legislation.

DISCUSSION BY DR. C. L. STEWART,

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This paper opens up a most fruitful line of topics in a most effective way. It should mark the beginning of a more thorough understanding of our land tenure system.

The amount of agricultural land owned by those operating it is shown for both full owners and part owners. Researches by the Division of Land Economics, Office of Farm Management and Farm Economics, indicate that in 1910 46.0 per cent of the improved land in part-owner farms and 52.6 per cent of the unimproved land in these farms were hired from other owners. That is to say, lessees operate not only 265 millions of "full" tenant land, but 89 millions of part-owner tenant land, a total of 354 millions. Since managers operated 54 millions of the 956 million acres of land in all farms, the acreage of directly operated land was 902 millions. Of the directly operated land as measured by acreage, lessees operated 39.2 per cent, leaving but 60.8 per cent in the hands of operating owners. Of the non-manager or directly operated land as measured by valuation, the owners were operating only 54.2 per cent.

The census has never analyzed for us the ownership of the manager land. If all managers were hired representatives of the owners in the operation of their land, the tenure of manager land would be

simpler. Managers, however, are often engaged by tenants or part owners in whose stead they serve as representatives. In the range country, particularly, employers of managers often have only a leasehold on a part or all of the land in question. If the census were to undertake an analysis of our land from the standpoint of tenure, it is fair to expect a separation between the owned and leased acreage, not only for part-owner land, but also for manager land.

Mr. Wehrwein points to the results of the census of 1900 bearing on the concentration of ownership of rented farms and on the proximity of residence of the owners. The Division of Land Economics is engaged in a follow-up study of this subject based on the census of 1920. It is of vital importance to the country to know whether the increase of tenancy, that has marked the first two decades of the twentieth century, has a counterpart in a growing concentration of ownership and a growing trend toward non-residence of landlords.

NEED FOR FUNCTIONAL STUDY OF LANDLORDSHIP AND TENANCY.

Mr. Wehrwein makes it clear that it is impossible to define "absenteeism" in terms of miles so far as applying in any significant sense to landlords. Often landlords, whose mileage distance from their land is large, are in spirit anything but absentees, while many landlords, residing on or near their farms, are in spirit divorcees grasping for alimony. Physical absenteeism is often desirable, but absenteeism of responsible attitude is a public menace.

In general the public needs to polarize its thought on the problems of landlordship and tenancy in more fundamental terms. Rather than placing stake so exclusively on subordinate considerations such as localism of residence, naturalism of legal personality, nativism of race, and normality of economic habits, the public should polarize its thinking around the functions which landlords and tenants may properly be expected to subserve in our modern economic organization. For instance, without going into an extended list of derived and contingent functions of landownership, we may hold the following to be the most essential functions:

1. Provide and risk long- and middle-term capital and credit;
2. Select property, personnel, and programs;
3. Carry public charges on land.

As the functions of landownership are contrasted with those of farm operation, we may not doubt that they differ as widely as the functions of farm operation differ from those of farm labor. The

three are like the three rings of a circus, with something of the entrepreneurial element present in all three, but in each case adjusted to fit the peculiar requirements of the three classes of people occupying them. Laborers must claim their rewards in consumable goods daily, weekly, or monthly. Farm operators, except for the farm-produced items of living which relieve the severity of the laborer's climb to operating entrepreneurship, claim their rewards over a cycle of production, usually a single biological cycle in crop or animal production, but often over two or more biological cycles if needed to complete a weather or yield cycle. Where there is a two-year periodicity in farm operations, for instance, the tenant organizes his enterprises on a biennial basis. Landowners, however, except where an unusual turnover in properties holds temporary sway, must gauge their entrepreneurial activities by decennial or generational considerations.

As between landlords and those tenants who must be furnished week by week with means of subsistence, there is no mistaking the wide contrast of functions. Such tenants are practically laborers making little more than the laborer's venture. In fact, we have as tenants people who range from an almost purely laboristic position to some who occupy a semi-capitalistic position. As owners we have some who may survive for a while under overwhelming obligations and others whose economic position is proof against whatever winds that blow.

If the fundamental facts as to the function of landownership, farm operation, and of farm labor are made the background of public consideration, and if the measuring rods of individual economic power, namely, power to produce and power to save, are used in assessing the functional value of individuals and classes, we can hope to avoid hurtful policies based on a superficial externalism.

RISING LAND VALUES AND THE FUTURE POSITION OF OUR TENURE CLASSES.

Land values as contrasted with land prices means the commodity purchasing power of a real estate unit. If land prices moved in direct and complete correlation with the average price of commodities, there might be little or no change in the power of an acre or quarter section to buy a quantity of commodities such as might be needed to maintain a family at a given standard of consumption for all or a fixed part of a year. Changes in the purchasing power of the dollar as applied in commodity purchase, however, are not in direct and complete correlation with changes in the purchasing power of the

dollar as applied in the purchase of farm real estate. In other words, the commodity dollar is a different thing, historically considered, from the real estate dollar. Thereby hangs a most significant possibility in the future of American land tenure.

The price of the average acre of our farm land in the past 70 years has advanced in only casual relationship with commodity prices and in dominant relationship with population. When commodity prices were advancing by leaps and bounds, land prices were generally pursuing the even tenor of their way upward at an annual compounding rate of slightly more than $2\frac{1}{2}$ per cent. Temporary reactions in land prices have resulted in both directions in response to marked changes in the prices of farm products and other commodities. These, however, have ordinarily spent themselves in a few months or a short term of years. A prolonged downward pressure of commodity prices, such as characterized the period 1865 to 1896, sufficed merely to retard the upward movement of land prices which reasserted itself vigorously from 1896 to the outbreak of the World War. Since 1914 the price of land has not kept pace with the commodity price movement either in the upward or downward phases.

If land prices tend to fall less markedly than commodity prices during the secular movement which may slope downward from 1920 for two or more decades, or if land prices, recovering from the panic slump in which the present months find them, become more or less stabilized at a price level for the country as a whole somewhat above that prevailing in 1914, we may find ourselves facing conditions similar in some respects to those which beset English agriculture during the downward secular trend of commodity prices that followed the Napoleonic wars. In that case, as I infer from a study made by Dr. O. C. Stine of our office, the tenure of English lands passed in a considerable measure to owners who were not entirely dependent on farm operations as their source of money income. Shipowners, manufacturers, professional people, and others who saw in farm lands an attractive prospect of persisting property prices took a larger relative place on the buyer's side of the farm real estate market. While we now have bonds, life insurance, public utility stocks, and other investments which, from the standpoint of price, are practically unshrinkable assets, there is no reason for assuming that farm real estate during the next few decades may not occupy its traditional rôle as an investment free from serious liability to shrinkage in price, except for the brief periods in which "weak hands," who bought shoestring equities in a period of inflated commodity prices, are forced to give place to "stronger hands."

If such a displacement takes place in our land tenure in the next few decades as occurred in England after the Napoleonic wars, the agitation against landlordism, which filled our press during the downward secular movement of commodity prices between 1865 and 1896, may again assert itself under somewhat similar conditions of low prices for farm products, and less depressed if not fully maintained prices of farm real estate. If, under such circumstances, landlords press for rental income in harmony with prices of land more than with prices of farm products, and if tenants press for the reverse, a gulf may widen between them.

In the light of these possibilities, I would point particularly to the county conferences of landlords and tenants which have been conducted in Illinois and Iowa this year. These conferences, while proof against a blind assumption of complete harmony of interest between landlords and tenants, have shown marked usefulness in exploring the common ground in their relations and promoting measures beneficial to both. Such conferences seem to be laying the groundwork for genuine economic statesmanship in the field of land tenure.